

## United States Department of the Interior

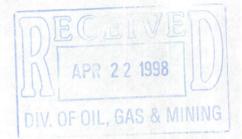
## BUREAU OF LAND MANAGEMENT

Salt Lake District Office 2370 South 2300 West Salt Lake City, Utah 84119 APR 21 1998



(UT-023)

CERTIFIED MAIL P 443 670 451 RETURN RECEIPT REQUESTED



Mr. Dan Proctor Clifton Mining Company 70 West Canyon Crest Road, Suite D Alpine, UT 84004

Dear Mr. Proctor:

We have been working with Clifton Mining Company (CMC) since September 6, 1996 to approve your milling plan for the Cactus mill site located in T. 7 S., R. 18 W., Section 35. In your milling Plan of Operations, you state that CMC plans to use up to 6,300 gallons of water per hour and re-circulate 4,000 gallons per hour through the mill. In your plan, you also state that the excess 2,300 gallons of water per hour would be disposed of by "evaporation."

The BLM has concerns that the excess water proposed for storage in the 2.47 acre tailings impoundment (2,300 gallons per hour) cannot be evaporated during the course of normal operations, and might be diverted into the adjacent drainage without some type of safeguard system. The minimum normal pan evaporation rate in the Gold Hill area is reported to be 60 inches between the months of May and October. The evaporation rate during the remaining months of the year is virtually nil. We estimate that if the mill operated on a 300-workday year, at 2,300 gallons per hour placed in the tailings impoundment, you would produce more than 16.5 million gallons of water. Evaporation would eliminate about four million gallons of water between May and October, leaving an excess of more than 12 million gallons. We have concerns that the excess mill water could damage an important aquifer if allowed to be diverted into the channel.

We are currently preparing an Environmental Assessment (EA) for your milling operation at Gold Hill. We cannot complete the EA, and subsequently authorize your milling operation, unless you provide this office with a modified proposal for your tailings impoundment which would address the storage, recycling and/or evaporation of this excess water.

Please provide this office with the requested information at your earliest convenience so that we can complete the EA for your project. If you have any questions, or require additional information, please contact Michael Ford of my staff at (801) 977-4360.

Sincerely,

/s/ Margaret Wyatt

Margaret Wyatt Area Manager

cc: D. Wayne Hedberg, UDOGM